GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:1601
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Coal Stock for Power Plants
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Will the Minister of COAL be pleased to state:

(a) whether it is a fact that 40 of the 101 power plants have coal stocks for less than 15 days and the current coal stock for power utilities is reaching critical level, if so, the details thereof and the reasons therefor;

(b) the current mechanism in place for routine assessment of coal supply, maintaining of stock and delivery in time to the power plants in the country;

(c) whether the Government proposes to maintain the buffer stock in different places in future, if so, the details thereof;

(d) whether the CIL has been asked to provide the full contracted quantity of coal to power units under the fuel supply agreements signed in 2011, if so, the details thereof;

(e) whether it is also a fact that while the FSAs required CIL to fully cater to power capacity of 78,000 MW a relaxation was provided in 2011 in this regard, if so, the details thereof;

(f) whether the CIL has failed to meet its target of cumulative production from April to October, 2016 and there has been a decline in the monthly coal production for the same time when the electricity production has gone up leading to shortage of coal stocks in power plants; and

(g) if so, the steps taken by the Government for the adequate supply of coal to power plants ?

Answer

MINISTER OF STATE (I/C) FOR COAL, POWER, NEW AND RENEWABLE ENERGY AND MINES

(SHRI PIYUSH GOYAL)

(a): As on 16.11.2016, 61 Thermal Power Plants (TPPs) of the 105 plants under review have coal stocks for less than 15 days' requirement. Three TPPs were having critical coal stock and one TPP was having super critical stock as on 16.11.2016. A non-pithead TPP having coal stock for less than 7 days is classified as 'critical' and a TPP having coal stock for less than 4 days is classified as 'super critical'. For likewise classification of pithead TPPs, these are for 5 days and 3 days respectively. TPPs have been regulating their coal supply in current year preferring to consume from their stocks owing to their comfortable coal stock position due to power demand dynamics arising out of merit order dispatch rules of discoms. As a result, coal stock of TPPs had declined from 38.87 MT equivalent to 27 days' requirement as on 01.04.2016 to 18.75 MT equivalent to 13 days' requirement as on 16.11.2016.
(b): In addition to the monitoring mechanism available at coal companies, CILand Central Electricity Authority (CEA), coal supplies to Power Utility sector is monitored regularly by a Inter-Ministerial Sub-Group of the Infrastructure Constraints Review Committee comprising representatives of Ministry of Power, Ministry of Coal and Ministry of Railways constituted by the Infrastructure Review Committee of Cabinet Secretariat. This Sub-Group takes various operational decisions for meeting any contingent situations relating to Power sector including critical coal stock position for power plants.
(c):To maintain coal stocks TPPs,coal stocking norms depending on the distance of the power plan from the mine have been laid down as per table below:
Table
Location Stocking Norms (in Days)
Pit-head Station 15
Upto 500 kms. away from Coal Mine 20
Upto 1000 Kms. away from Coal Mine 25
Beyond 1000 Kms. away from Coal Mine 30

(d) & (e):Coal is presently supplied from CIL sources under long-term Fuel Supply Agreements (FSA) with a tenure of 20 years wherein coal supply has been assured to the tune of 90% of Annual Contract Quantity (ACQ) for pre-2009 TPPs (TPPs commissioned as on 31.03.2009) and 75% of ACQ for post-2009 TPPs (TPPs commissioned/coming up after 31.03.2009). In respect of post-2009 TPPs, supply of indigenous coal has been assured to the tune of 65% of ACQ upto 2014-15, 67% of ACQ in 2015-16 and 75% of ACQ in 2016-17. The Presidential Directive issued by Government on 17.07.2013 directed conclusion of FSA in respect of Post-2009 TPPs of 78535 MW capacity which were likely to be commissioned by 31.03.2015.

(f) & (g): Month wise coal production target and achievement for the year 2016-17 is as below:
(Fig. in MT)

Month	Target	Achievement
April	44.480	40.366
May	44.639	42.542
June	43.360	42.761
July	40.294	36.739
August	40.890	32.435
September	41.505	35.213
October	51.881	43.512
April to October, 2016	306.995	273.568

Offtake performance of CIL in the current year up to October, 2016 has been 292.16 MT (Provisional) against target of 331.76 MT, with 88% materialization. Generally, it is observed that coal production slows down considerably between June-September every year. This trend is evident this year also and the downswing has been greater than previous years due to excessive rains in coal mining areas. The production has picked up from October onwards. The details of supply to Power Utilities in the country vis-a vis FSA commitment for the last three years and current year is as givenin the table:

Table

(Figs. In Million Tonnes)	ACQ	Despatch	% Materialisation
2013-14	415.18	353.83	85%
2014-15	458.81	385.40	84%
2015-16 (Provisional)	471.96	408.75	87%
2016-17 (up to October, 2016)(Provisional)	269.82	215.29	80%

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